

110TH CONGRESS
2D SESSION

H. R. 6910

To establish a monetary prize for achievements in overcoming scientific and technical barriers associated with the development and production of alternative fuel vehicles, to remove certain restrictions on the exploration, development, and production of mineral resources on Federal lands, and to use the resulting Federal revenue to fund the monetary prize and reduce the public debt.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 16, 2008

Mr. PRICE of Georgia introduced the following bill; which was referred to the Committee on Science and Technology, and in addition to the Committee on Natural Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish a monetary prize for achievements in overcoming scientific and technical barriers associated with the development and production of alternative fuel vehicles, to remove certain restrictions on the exploration, development, and production of mineral resources on Federal lands, and to use the resulting Federal revenue to fund the monetary prize and reduce the public debt.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “American Innovation
3 Act of 2008”.

4 **SEC. 2. DEFINITIONS.**

5 For purposes of this Act:

6 (1) **ELIGIBLE CONTESTANT.**—The term “eligi-
7 ble contestant” means—

8 (A) a citizen or resident alien of the
9 United States; or

10 (B) a private company that is incorporated
11 in the United States and that maintains a pri-
12 mary place of business in the United States.

13 (2) **OUTER CONTINENTAL SHELF.**—The term
14 “Outer Continental Shelf” has the meaning given
15 such term in section 2 of the Outer Continental
16 Shelf Lands Act (43 U.S.C. 1331).

17 (3) **SECRETARY.**—The term “Secretary” means
18 the Secretary of Energy.

19 **SEC. 3. ALTERNATIVE FUEL VEHICLE INNOVATION PRIZE.**

20 (a) **IN GENERAL.**—The Secretary shall carry out a
21 program to be referred to as the “Alternative Fuel Vehicle
22 Innovation Prize” to competitively award cash prizes to
23 eligible contestants in conformity with this Act to advance
24 the research, development, demonstration, and commercial
25 application of alternative fuel vehicles.

1 (b) ADVERTISING AND SOLICITATION OF COMPETI-
2 TORS.—

3 (1) ADVERTISING.—The Secretary shall widely
4 advertise prize competitions to encourage broad par-
5 ticipation in the program carried out under sub-
6 section (a).

7 (2) ANNOUNCEMENT THROUGH FEDERAL REG-
8 ISTER NOTICE.—The Secretary shall announce each
9 prize competition by publishing a notice in the Fed-
10 eral Register. This notice shall include the subject of
11 the competition, the duration of the competition, the
12 eligibility requirements for participation in the com-
13 petition, the process for participants to register for
14 the competition, the amount of the prize, and the
15 criteria for awarding the prize.

16 (c) PRIZES; SELECTION CRITERIA.—

17 (1) GRAND PRIZE.—

18 (A) IN GENERAL.—There shall be one
19 grand prize of \$10,000,000,000.

20 (B) PROTOTYPE REQUIREMENT.—In order
21 to be eligible to receive the grand prize under
22 this section, an eligible contestant must produce
23 a prototype of an alternative fuel vehicle.

24 (C) SELECTION CRITERIA.—The Secretary
25 shall develop, in consultation with the Secretary

1 of Transportation and the Director of the Na-
2 tional Science Foundation, criteria on which to
3 select the grand prize winner. Such criteria
4 shall include, at a minimum, the following fac-
5 tors:

6 (i) The extent to which the prototype
7 will reduce the reliance of the United
8 States on foreign sources of energy.

9 (ii) The reduction in fuel costs of op-
10 erating the prototype compared to a simi-
11 lar non-alternative fuel vehicle.

12 (iii) The extent to which the prototype
13 meets or exceeds Federal safety standards.

14 (iv) Whether the prototype has a fuel
15 economy of at least 100 miles per gallon.

16 (v) The extent to which the prototype
17 limits hazardous emissions compared to a
18 comparable non-alternative fuel vehicle.

19 (vi) The possibility of wide commercial
20 application, including the production of ve-
21 hicles that are not hindered by lack of re-
22 fueling infrastructure.

23 (vii) The estimated cost of the proto-
24 type, if it were mass-produced, and wheth-

er such cost is equivalent to the cost of a comparable non-alternative fuel vehicle.

(viii) Whether the prototype could be mass-produced in the United States.

(D) DEADLINE FOR AWARDING GRAND PRIZE.—The Secretary shall set a deadline of not later than 5 years after the date of the enactment of this Act for awarding the grand prize.

(2) ADDITIONAL PRIZES.—

(A) IN GENERAL.—The Secretary may choose to award no more than 5 additional prizes, with such additional prizes having a total combined value of no more than \$100,000,000.

(B) SELECTION CRITERIA.—Winners of additional prizes shall be selected based on their demonstration of—

(i) Substantial advancements in specific areas of alternative vehicle technologies, components, or systems; or

(ii) transformational changes in technology.

(C) DEADLINE FOR AWARDING ADDITIONAL PRIZES.—The Secretary shall set a

1 deadline of not later than 5 years after the date
2 of the enactment of this Act for awarding any
3 additional prizes.

4 (d) JUDGING.—

5 (1) IN GENERAL.—The Secretary shall appoint
6 5 individuals to serve as judges for the purpose of
7 selecting the prize winners under this section. The
8 judges shall select the grand prize winner based on
9 the criteria developed under subsection (c)(1)(C) and
10 shall select any additional prize winners based on
11 the criteria described under subsection (c)(2)(B).

12 (2) JUDGE REQUIREMENTS.—In order to be ap-
13 pointed as a judge, an individual may not have a fi-
14 nancial interest in any contestant and may not be an
15 employee, officer, director, agent, or family member
16 of any contestant.

17 (e) REPORT.—Not later than 60 days after all prizes
18 are awarded under this section, the Secretary shall trans-
19 mit a report to the Congress containing—

20 (1) a list of award recipients;

21 (2) a description of the technologies developed
22 by the award recipients; and

23 (3) a description of the actions being taken to-
24 ward the commercial application of the technologies
25 developed by the award recipients.

1 (f) INTELLECTUAL PROPERTY.—The Federal Gov-
2 ernment shall not, by virtue of offering or awarding a
3 prize under this section, be entitled to any intellectual
4 property rights derived as a consequence of, or in direct
5 relation to, the participation by a participant in a competi-
6 tion authorized by this section. This subsection shall not
7 be construed to prevent the Federal Government from ne-
8 gotiating a license for the use of intellectual property de-
9 veloped for a prize competition under this section. The
10 Federal Government may seek assurances that tech-
11 nologies for which prizes are awarded under this section
12 are offered for commercialization in the event an award
13 recipient does not take, or is not expected to take within
14 a reasonable time, effective steps to achieve practical ap-
15 plication of the technology.

16 (g) WAIVER OF LIABILITY.—The Secretary may re-
17 quire participants to waive claims against the Federal
18 Government for any injury, death, damage, or loss of
19 property, revenue, or profits arising from the participants’
20 participation in a competition under this section. The Sec-
21 retary shall give notice of any waiver required under this
22 section in the notice required by subsection (b)(2).

23 (h) AUTHORIZATION OF APPROPRIATIONS.—There
24 are authorized to be appropriated from the Innovation

1 Trust Fund such sums as may be necessary to carry out
2 the provisions of this section.

3 **SEC. 4. INNOVATION TRUST FUND.**

4 (a) ESTABLISHMENT.—There is established in the
5 Treasury of the United States a trust fund to be known
6 as the “Innovation Trust Fund”, consisting of such
7 amounts as may be appropriated or credited to the Inno-
8 vation Trust Fund as provided for in this section.

9 (b) TRANSFERS TO THE TRUST FUND.—The Sec-
10 retary of the Treasury shall transfer to the Innovation
11 Trust Fund out of the general fund of the Treasury of
12 the United States amounts equivalent to the funds re-
13 ceived in the Treasury that the Secretary of the Treasury,
14 in consultation with the Secretary of the Interior, deter-
15 mines are attributable to the exploration for, development
16 of, or production of oil, natural gas, or oil shale located
17 on Federal lands, including submerged lands, in the Outer
18 Continental Shelf or in the Arctic National Wildlife Ref-
19 uge.

20 (c) INVESTMENT.—

21 (1) IN GENERAL.—The Secretary of the Treas-
22 ury shall invest such portion of the Innovation Trust
23 Fund as is not in his judgment required to meet
24 current withdrawals. Such investments may be made
25 only in interest-bearing obligations of the United

1 States. For such purpose, such obligations may be
2 acquired—

3 (A) on original issue at the issue price; or

4 (B) by purchase of outstanding obligations
5 at the market price.

6 (2) SALE OF OBLIGATIONS.—Any obligation ac-
7 quired by the Innovation Trust Fund may be sold by
8 the Secretary of the Treasury at the market price.

9 (3) INTEREST ON CERTAIN PROCEEDS.—The
10 interest on, and the proceeds from the sale or re-
11 demption of, any obligations held in the Innovation
12 Trust Fund shall be credited to and form a part of
13 the Innovation Trust Fund.

14 (d) EXPENDITURES FROM TRUST FUND.—Amounts
15 in the Innovation Trust Fund shall be made available, as
16 provided by appropriation Acts—

17 (1) to carry out the Alternative Fuel Vehicle In-
18 novation Prize described in section 3; and

19 (2) to reduce the public debt pursuant to sec-
20 tion 5.

21 (e) AVAILABILITY.—Amounts in the Innovation
22 Trust Fund shall remain available until expended.

23 **SEC. 5. PUBLIC DEBT REDUCTION.**

24 (a) IN GENERAL.—The Secretary of the Treasury
25 shall, from time to time, transfer to the special account

1 established by section 3113(d) of title 31, United States
 2 Code, amounts in the Innovation Trust Fund that the Sec-
 3 retary of the Treasury determines are not required to
 4 carry out the Alternative Fuel Vehicle Innovation Prize
 5 under section 3.

6 (b) AUTHORIZATION OF APPROPRIATIONS.—There
 7 are authorized to be appropriated from the Innovation
 8 Trust Fund such sums as may be necessary to carry out
 9 this section.

10 **SEC. 6. TERMINATION OF RESTRICTIONS ON OIL AND NAT-**
 11 **URAL GAS DEVELOPMENT ON CERTAIN FED-**
 12 **ERAL LANDS.**

13 (a) OUTER CONTINENTAL SHELF.—

14 (1) TERMINATION OF LAWS PROHIBITING EX-
 15 PENDITURES FOR NATURAL GAS LEASING AND
 16 PRELEASING ACTIVITIES.—All provisions of existing
 17 Federal law prohibiting the spending of appropriated
 18 funds to conduct oil or natural gas leasing and
 19 preleasing activities for any area of the Outer Conti-
 20 nental Shelf shall have no force or effect.

21 (2) REVOCATION OF EXISTING PRESIDENTIAL
 22 WITHDRAWALS.—All existing withdrawals by the
 23 President under the authority of section 12 of the
 24 Outer Continental Shelf Lands Act (43 U.S.C.
 25 1341) are hereby revoked and are no longer in effect

1 with respect to the leasing of areas for exploration
2 for, and development and production of, oil or nat-
3 ural gas.

4 (3) REVOCATION OF EXISTING PRESIDENTIAL
5 AUTHORITY.—All authorities given to the President
6 with respect to the leasing of Federal submerged
7 lands of the Outer Continental Shelf, given under
8 section 12(a) of the Outer Continental Shelf Lands
9 Act (43 U.S.C. 1341(a)), are hereby revoked, except
10 in the interest of national security or military oper-
11 ations.

12 (b) COASTAL PLAIN OF ALASKA.—Sections 1002(i)
13 and 1003 of the Alaska National Interest Lands Con-
14 servation Act (16 U.S.C. 3142(i) and 3143) are repealed.

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